

## Message Text

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73

ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-01 INR-05 L-01

NSAE-00 NSC-05 PA-01 RSC-01 PRS-01 SP-02 SS-15

USIA-06 AID-05 /057 W

----- 125417

R 052117Z NOV 74

FM AMEMBASSY TEGUCIGALPA

TO SECSTATE WASHDC 8501

INFO AMEMBASSY GUATEMALA

AMEMBASSY MANAGUA

AMEMBASSY SAN JOSE

AMEMBASSY SAN SALVADOR

USCINCSO

C O N F I D E N T I A L TEGUCIGALPA 4742

GUATEMALA PASS ROCAP

USCINCSO FOR POLAD

E.O. 11652: GDS

TAGS: PFOR, PINT, HO

SUBJECT: CONTINUING GOH CABINET CRISIS

REF: TEGUCIGALPA 4645

BEGIN SUMMARY: THE HONDURAN CABINET HAS NOT MET SINCE OCTOBER 11. FONMIN BATRES HAS RESIGNED BYT CHIEF OF STATE LOPEZ HAS NOT ACCEPTED ANY OTHER RESIGNATIONS AND HAS NOT MOVED TO ASK FOR THE RESIGNATION OF THE ENTIRE CABINET. LOPEZ IS BEING INCREASINGLY CRITICIZED FOR HIS LACK OF DECISION AND SEEMING INABILITY TO ESTABLISH GOVERNMENT GOALS AND PRIORITIES. END SUMMARY.

1. THE GOH CABINET CRISIS THAT BEGAN ON OCTOBER 11 HAS NOT YET BEEN RESOLVED. THERE HAVE BEEN NO CABINET SESSIONS SINCE THAT DATE. THE CABINET IS THE BASIC EXECUTIVE/  
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LEGISLATIVE BODY OF THE GOVERNMENT AND ITS FAILURE TO MEET

IS A CLEAR SIGN THAT THERE IS NO COORDINATED GOVERNMENT ACTIVITY ON ANY MATTER. EACH MINISTER IS OPERATING INDEPENDENTLY IN HIS AREA OF CONCERN. THE ONLY PUBLIC ANNOUNCEMENT ON THE CABINET WAS MADE LAST WEEK WHEN CHIEF OF STATE LOPEZ STATED THAT FONMIN BATRES HAD RESIGNED BUT DENIED THAT THERE IS A CABINET CRISIS OR THAT ANY OTHER MINISTERS HAVE OFFERED THEIR RESIGNATIONS.

2. POLOFF WAS INFORMED BY MINLAB FONSECA THAT HE WAS

OFFERED HIS ORAL RESIGNATION ON THREE SEPARATE OCCASIONS AND THAT BENNATON HAD PRESENTED HIS ORAL RESIGNATION TWICE. THE RESIGNATION OF THE TWO MINISTERS HAS BECOME PUBLIC KNOWLEDGE AND SPARKED A GREAT DEAL OF MEDIA AND PRIVATE SPECULATION. THE REFUSAL OF LOPEZ TO ACKNOWLEDGE THE EXISTENCE OF THE CRISIS HAS ADDED TO THE CONFUSION. IN A PRIVATE CONVERSATION WITH AMBASSADOR SANCHEZ ON OCTOBER 25, LOPEZ SAID THAT HE INTENDED TO ASK ALL MINISTERS TO RESIGN AND THAT HE WAS PLANNING A RADIO-TV SPEECH TO EXPLAIN THAT DECISION. HE HAS NOT YET MOVED TO ASK FOR THE RESIGNATIONS OR TO MAKE A SPEECH.

3. THE HONDURAN PRIVATE ENTERPRISE COUNCIL (COHEP) HAS REPEATEDLY

CRITICIZED THE GOVERNMENT'S PLANS CONCERNING AGRARIAN REFORM AND HAS VOWED TO FIGHT AGAINST THE GOVERNMENT'S "SOCIALIZING ACTIONS." THE CAMPESINO ORGANIZATIONS HOWEVER REQUESTED LOPEZ TO CLARIFY THE GOVERNMENT'S AGRARIAN REFORM POLICY. LASKB LOPEZ

PUBLICLY ANNOUNCED THAT THERE WOULD BE AN AGRARIAN REFORM BUT DID NOT SPECIFY WHAT IT WOULD BE OR WHEN IT WOULD TAKE EFFECT. THE ANNOUNCEMENT IMMEDIATELY CAUSED THE PRIVATE SECTOR TO CONDEMN THE STATEMENT FOR CONTRIBUTING TO BUSINESS UNCERTAINTY ABOUT GOVERNMENT INTENTIONS.

4. COMMENT: CRITICISM OF THE INDECISION AND LACK OF DIRECTION OF THE REGIME HAS BECOME MORE POINTED WITH THE PASSING DAYS. THE PRIVATE SECTOR, THE POLITICAL PARTIES AND A SIZEABLE SEGMENT OF THE MEDIA CRITICIZE LOPEZ  
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FOR NOT DEFINING THE REGIME'S GOALS. THEIR BASIC CONTENTION IS THAT RECONSTRUCTION AND DEVELOPMENT WILL SUFFER UNLESS THE GOVERNMENT ANNOUNCES A CLEAR-CUT PROGRAM DEFINING ITS PRIORITIES AND INTENTIONS. THE CABINET CRISIS, GOVERNMENT INDECISION, THE MASSIVE NATURAL DISASTER CAUSED BY HURRICANE FIFI AND A BREAKDOWN IN THE NEGOTIATIONS WITH EL SALVADOR ALL COMBINE TO PRODUCE A GENERAL FEELING OF FRUSTRATION AND BEWILDERMENT. A CONTINUATION OF THE PRESENT SITUATION WILL

UNDOUBTEDLY CAUSE AN INCREASING AMOUNT OF CRITICISM TO BE  
LEVELED AT THE GOVERNMENT.  
SANCHEZ

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## Message Attributes

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